VZCZCXRO5114 OO RUEHCHI RUEHDT RUEHHM RUEHNH DE RUEHGO #0390/01 1361120 ZNY CCCCC ZZH O 151120Z MAY 08 FM AMEMBASSY RANGOON TO RUEHC/SECSTATE WASHDC IMMEDIATE 7614 INFO RUCNASE/ASEAN MEMBER COLLECTIVE RUEHBY/AMEMBASSY CANBERRA 1200 RUEHBJ/AMEMBASSY BEIJING 1881 RUEHKA/AMEMBASSY DHAKA 4886 RUEHNE/AMEMBASSY NEW DELHI 4744 RUEHUL/AMEMBASSY SEOUL 8288 RUEHKO/AMEMBASSY TOKYO 5850 RUEHCN/AMCONSUL CHENGDU 1480 RUEHCHI/AMCONSUL CHIANG MAI 1603 RUEHCI/AMCONSUL KOLKATA 0338 RUEAIIA/CIA WASHDC RUEATRS/DEPT OF TREASURY WASHDC RUEKJCS/DIA WASHDC RUEHGV/USMISSION GENEVA 3719 RHEHNSC/NSC WASHDC RUEKJCS/SECDEF WASHDC RUEKJCS/JOINT STAFF WASHDC RUCNDT/USMISSION USUN NEW YORK 1624 RUEHBS/USEU BRUSSELS

C O N F I D E N T I A L SECTION 01 OF 04 RANGOON 000390

## SIPDIS

STATE FOR EAP/MLS, INR/EAP, SES-O DEPT PASS TO USDA DEPT PASS TO USAID/OFDA PACOM FOR FPA TREASURY FOR OASIA

E.O. 12958: DECL: 05/15/2018
TAGS: ECON ENRG PGOV EPET SENV BM

SUBJECT: BURMA: MORE LIGHTS GO ON IN RANGOON DIVISION

REF: A. RANGOON 384 ¶B. RANGOON 348

RANGOON 00000390 001.2 OF 004

Classified By: Economic Officer Samantha A. Carl-Yoder for Reasons 1.4 (b and d)

11. (C) Summary. The Burmese Government continues to restore power to parts of Rangoon, focusing on repairing power lines in the eastern, western and northern parts of the city. According to Yangon City Electric Supply Board (YESB) officials, while 40 percent of townships in Eastern Rangoon, 65 percent of townships in Western Rangoon, and 49 percent of townships in Northern Rangoon have power, only one of the 13 townships in Southern Rangoon has power. The GOB has brought in more than 4,000 technicians from around the country to help rebuild power lines, and has also received technical assistance from several private companies. Officials will not comment publicly on how long it will take to restore power to all parts of Rangoon, YESB officials told us privately that it will take between 3-6 months before all townships in Rangoon Division have power. End Summary.

Powering Up Parts of Rangoon

12. (C) Officials from the Yangon City Electric Supply Board (YESB) and the Myanmar Electric Power Enterprise (MEPE) continue to work to restore power to Rangoon, focusing on the most heavily populated areas in eastern, western, and northern Rangoon. Lt. Colonel Maung Maung Latt (Rtd.), Secretary of YESB, told us that more than half of Rangoon Division now has power, with 39 of the 54 townships with some electricity. (Note: Officially, there are 45 townships in Rangoon Division. For its purposes, YESB counts 54

townships, which are listed below. End Note). The majority of Rangoon city has power, Lt. Col. Maung Maung Latt proudly stated, although he admitted the poorer areas of the city received less power than the wealthier areas.

13. (C) According to unofficial YESB statistics, 40 percent of the townships in Eastern Rangoon Division have power, 65 percent of the townships in Western Rangoon Division have power, and 49 percent of townships in Northern Rangoon Division have power. Of the 33 townships in Rangoon city, Lt. Col. Maung Maung Latt told us that approximately 17 of them have some power, although power supply is intermittent (Ref B). He proudly noted that in the past two days, YESB has restored power to more than a dozen traffic lights in the city, mainly in the downtown area. Indeed, we have seen some of these traffic lights in operation, although YESB has not repaired many of the broken bulbs in the traffic lights. Thus, some of the lights only display a single color (red or green), confusing drivers and pedestrians.

Electricity in Rangoon Division Townships

As of May 15, 2008

	As of May	15, 2008	
Location			Percentage of Tsp with Power
Eastern RangoonTamweSouth OkkalapaNorth OkkalapaDagon (Port)Dagon (South)			40 28 30 47 0 33
RANGOON 00000390	002.2 OF	004	
Dagon (North)Dagon (East)Daw BonPazuntaungBotahtaungMingala TaungnYankinThaketaThingangyunShwe Pauk Kan	yunt		12 15 20 98 99 33 38 18 40
Western RangoonKamayutKyimyindineKyauktadaSanchaungSeikkanWest DagonPabetanBahanMayangonLathaHlaingLanmadawAhlone			65 55 37 100 40 100 45 100 50 44 100 43 100 35
Northern RangoonInseinMingaladonShwe Pyi ThaHlaing ThayarHlekuHmawbiHtaukkyantTaik KyiPhaung GyiOkkanHtantabinDa Bain			49 39 16 25 20 73 75 19 97 85 95 0

100

--Aphyuak

Southern Rangoon Thanlayin Kyauktan	15 55 0
Thonekwa	0
Khayan	0
Tuntay	0
Kun Chan Kone	0
Kawhmu	0
Dala	0
Sikkyi Khanaungto	0
Lek Khoke Kone	0
Teta	0
Koko Island	0
Kyaikhto	0

14. (C) The GOB is committed to restoring power to all of Rangoon city as soon as possible, Lt. Col. Maung Maung Latt emphasized. While he would not project how long it would take, he confided that it would take at least three months, possibly longer. Currently, YESB has several hundred of its staff working in Rangoon's 33 townships, repairing damaged power lines, constructing new posts to hang power lines, and clearing trees and debris. Lt. Col. Maung Maung Latt told us that the GOB "requested" that several larger construction

RANGOON 00000390 003.2 OF 004

companies, including Tay Za's Htoo Trading and Steven Law's Asia World, provide cranes, heavy vehicles, and manpower to assist with cleanup and electricity restoration. Recognizing that YESB and MEPE lacked the necessary manpower, the GOB also brought in 4,000 technicians from other States and Divisions to help restore power, he added. YESB has also received technical assistance from private companies, including SOE Electronics Co. Ltd, Yangon Transformer Co. Ltd, and Khin Maung Nyunt Trading Company.

15. (C) Once YESB and MEPE officials have restored power to Rangoon city, they will focus on repairing power lines in Southern Rangoon Division, Lt. Col. Maung Maung Latt explained. Southern Rangoon Division was hit the hardest by the storm. Only 15 percent of Southern Rangoon Division - just one township - has power. Restoring electricity to the south will take a long time because it is not a priority, he admitted. The military is cleaning up the area, albeit slowly. Once the roads are clear, YESB and MEPE will bring in new power lines, construction materials, and manpower to begin reconstruction of the power grid. It could take up to six months to resume power to Southern Rangoon Division, he stated.

## Rising Electricity Prices?

16. (C) Lt. Col. Maung Maung Latt declared that the Ministry of Electric Power-2 had no plans to raise electricity prices in Rangoon, currently set at 25 kyat/unit for households and 50 kyat/unit for industrial use. Ministry of Electric Power-2 has successfully restored Rangoon's connection to the national grid, although Rangoon still only generates power from the four local electric stations. The four substations use natural gas to power steam turbines to make electricity. YESB and MEPE expect that the Rangoon substations will draw power from the national grid by the beginning of June, when national hydropower plants should be operating at a higher generating capacity due to the start of the monsoon season. Lt. Col. Maung Maung Latt emphasized that the GOB has no plans to import electricity from other countries, noting that Burma produces enough electricity to meet local demand.

## Electricity in Affected Areas

 $\underline{\P}7.$  (C) YESB only handles electricity issues for Rangoon Division. However, Lt. Col. Maung Maung Latt told us that

the Ministry of Electric Power-2 has not yet begun to consider restoring power to the affected areas in the Irrawaddy Delta. The highest priority, he stated, was the delivery of relief supplies and services. Once the GOB shifts into recovery mode, MEPE will begin rebuilding and reconnecting power lines in Irrawaddy Division. He would not comment on how long it would take to power up the Irrawaddy Delta, but noted that it would take a "very, very long time."

## Comment

18. (C) Restoring power to Rangoon Division will take months, and it will take far longer before Irrawaddy Division can turn its lights on. The Burmese Government continues to prioritize the wealthiest areas of the city, rather than focusing on where the need is greatest - the most heavily affected areas of Southern Rangoon Division.

Government-owned buildings, key businesses, and crony

RANGOON 00000390 004.2 OF 004

neighborhoods were the first to receive electricity, and the regime is eager to show the rest of the world that it is business as usual in Rangoon. Reality shows a much bleaker picture - many neighborhoods continue to lack access to electricity, which means they lack often lack access to clean water. Health and sanitary conditions in the poorer areas of Rangoon continue to deteriorate. Restoring power to these areas should be a GOB priority; however, it is not. VILLAROSA